

# Issues of Merit

A Publication of the Office of Policy and Evaluation, U.S. Merit Systems Protection Board

February 1998

## Director's Perspective

### Dealing With Poor Performers—Still

In 1978, Congress passed the Civil Service Reform Act (CSRA) amid much discussion and widespread agreement that something dramatic needed to be done to encourage federal agencies and managers to deal more aggressively with poorly performing employees. Twenty years later, however, it is difficult to find any evidence that poor performers are dealt with any more effectively today than they were in 1978.

It's not that the CSRA did not specifically address the issue of poor employee performance. On the contrary, the 1978 Act specifically requires that employees "should be retained on the basis of the adequacy of their performance, inadequate performance should be corrected, and employees should be separated who cannot or will not improve their performance to meet required standards." Moreover, the CSRA

- Required agencies to develop specific performance standards for each employee;
- Established procedures to remove employees who failed to meet those standards; and
- Created a lower standard of proof that agencies must meet to successfully defend a removal action under appeal.

However, as MSPB reported in its November 1997 report *Adherence to the Merit Principles in the Workplace*, just over half of the more than 9,700 federal employees who responded to a governmentwide Board survey said  
*(continued on page 2)*

## OPE Focus on the Facts

### *Belief:*

The government's 25 percent decrease in the number of full-time permanent supervisors between 1992 and 1997 has substantially increased the number of employees per supervisor.

Data are for full-time permanent executive branch employees

### **Fact:**

Despite the decrease in the number of supervisors, the simultaneous 14 percent decrease in nonsupervisors has changed the average number of employees per supervisor only from 6.07 to 7.08.

Source: MSPB calculations based on data from OPM's Central Personnel Data File

## Issues Update

In this edition we introduce a feature that we plan to present from time to time to bring information from some of our past MSPB studies up-to-date. Topics this time are temporary employees and whistleblower reprisal.

### Size of Temporary Workforce Remains Steady

The sizable reduction in the federal workforce over the past few years was expected to affect temporary employment in one of two contrasting ways. Either we'd see an increase in temporary employment to fill jobs needed now but not supportable in the future, or we'd note a decrease in temps as agencies shift more of the work previously done by temporary employees to permanent employees in order to avoid or delay RIFs.

In fact, available data support neither of these scenarios. When the Board last studied temporary employment in the federal government (in 1994), we found that the levels of temporary employment as a percentage of total workforce had remained stable for many years. Since then, the government has  
*(continued on page 2)*

## Inside this Issue

Motivation for Public Service. Page 3

Letting Managers Manage. Page 3  
MSPB Adjudicators Close Out Busy Year. Page 4

GPRA Conundrum: HR Decisions and Strategic Planning. Page 4

Hatch Act Facts. Page 5

## Director's Perspective *(continued from page 1)*

their agencies still don't fire people who cannot or will not improve their poor performance. In fact, federal supervisors are even more negative about their agencies than nonsupervisory employees: some 59 percent of all supervisors believe that their organizations don't do enough to separate poor performers.

Why is this and what, if anything, can be done about it? Many supervisors who do *not* take an adverse action they think is warranted cite the amount of time required and a perceived lack of upper management support as reasons. However, MSPB surveys also show that some agencies are seen by their employees as more effective than others in dealing with poor performers. Employees of the Departments of the Treasury and Veterans Affairs and the Office of Personnel Management rated their agencies better at dealing with poor performers than did

employees in other organizations surveyed. (Individual federal departments and agencies may contact this office for information regarding the responses of their own employees to the MSPB survey.)

The point is that while it may never be easy or pleasant to remove a poor performer, it can be and is done. It's just not done as often as many federal employees think it should be.

And what should be done to encourage federal supervisors to go ahead and take adverse actions if they are indeed warranted? That depends, of course, on what's causing the supervisors' reluctance to act. If the problem is existing systems or structures that hamper a supervisors' ability to take action, then achieving a solution may be fairly straightforward: restructure and revise the rules.

But it's entirely possible—perhaps even likely—that failure to deal with poor performers is related more to an agency's corporate culture, to

formal and informal systems of incentives and disincentives, than to legal or regulatory structures.

Therefore, in addition to implementing any structural changes that might ultimately be made in existing law or regulations in this area, federal departments and agencies would do well to examine their own internal cultures with regard to how they hold their employees accountable for acceptable performance.

As we've discovered from the federal experience following passage of the Civil Service Reform Act of 1978, it's clear that a change in law or regulation alone will not create the degree of change being called for in dealing with poor performers. Federal agencies—starting with top management—need to look inward as well.

*John M. Palguta*

Director, Policy and Evaluation

## Issues Update *(continued from page 1)*

gone through a dramatic downsizing, and the number of temporary employees dropped from 144,756 at the end of FY 1993, to 94,700 at the end of FY 1997. However, as a percentage of overall workforce, the temporary workforce has decreased only 1.6 percentage points, from 6.8 percent in early FY 1994, to 5.2 percent in FY 1996. Since then, the percentage of temps has remained steady at 5.2 percent.

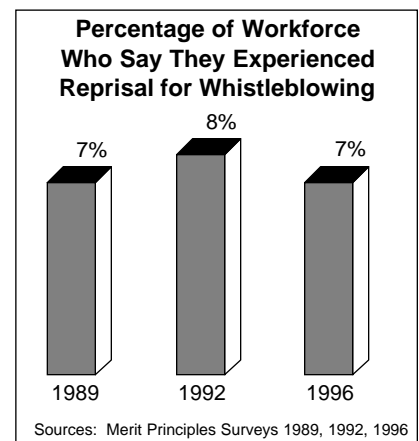
Two current trends may be responsible, to some extent, for the stability in the size of the temporary workforce: the prevalence of contracting out work processes and whole projects to private sector organizations and individuals, and the

use of non-federal workers supplied by temporary service companies. Both of these approaches to staffing replace federal temporary employees with workers who are not accounted for in federal employment statistics.

### Whistleblowing in the 90s

Another issue that the Board has monitored over the years is whistleblowing and its consequences for employees who do it. Accordingly, our most recent Merit Principles Survey included an item asking employees whether they'd been retaliated against in the preceding two years for having reported health or safety dangers, and/or waste, fraud, and abuse. As the figure at the right illustrates, we found that the

portion of the federal workforce who believe they've experienced



reprisal for whistleblowing has remained the same—at 7 to 8 percent—over three administrations of the survey.

## Motivation for Public Service and Federal Employee Attitudes

Public administration researchers have postulated that many people who decide to work in the public sector do so because of the unique work environment that it offers. These researchers have suggested, for example, that many public sector employees have a higher need to serve and a lower need for monetary rewards than do people who typically seek work in the private sector.

To test this hypothesis, James Perry at Indiana University developed a scale to measure a person's motivation to work in public service organizations. In

these two findings, it is not surprising that these employees were also considerably more likely to recommend the government as a place to work.

Employees with high public service motivation also were more likely to receive very high performance appraisal ratings. Almost 45 percent of these employees were rated outstanding compared to 37 percent of the employees who had lower public service motivation scores.

Despite these differences, employees with high public service motivation scores were no less likely than employees who scored low on this scale to think that they were paid less than people doing comparable jobs in the private sector. Employees in each of these groups

## Letting Managers Manage: the HRM Contribution

What can human resources professionals do to support today's "let managers manage" environment? A panel of senior federal line managers and HR directors who explored this theme during a recent meeting of the International Personnel Management Association had several suggestions.

With the HR function often viewed by the budget staff as a costly liability rather than an organizational asset, it is imperative that HR show what value it adds to the organization. The managers agreed that HR professionals can add value by:

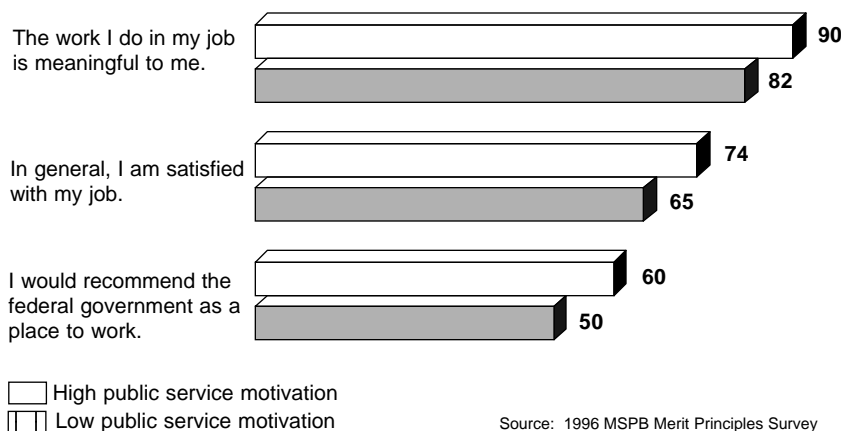
- Resizing the organization with the least possible disruption;
- Helping find ways to make people better at doing their current jobs or move them smoothly into new ones; and
- Identifying ways to improve their agencies' organizational structures to improve customer service.

It's especially important for HR professionals to get out of their offices and into the organizations they support. They must learn the business of their organizations if they are to be good advisors, consultants, and expeditors. Become aware of program goals! Fail to understand the organization's business and the HR staff won't be considered players, much less partners, in the enterprise. Conversely, managers and supervisors must be aware of HR requirements and mindful of their new or expanded HRM responsibilities. Teamwork is essential.

The managers and HR directors on the panel agreed that not all HR professionals are comfortable with their new roles, and some may never be able to adapt. The same is true of line managers. This

*(continued on page 4)*

**Percentage of Respondents Who Agreed with the Statement Shown**



the course of our research on employee attitudes, we used several items drawn from Perry's research to measure the public service motivation of a representative cross-section of federal employees, and compared the opinions of those who scored high on public service motivation with those who had low scores.

As shown in the figure above, federal employees who had high public service motivation scores were more likely to believe that the work they did was meaningful, and were more likely to be satisfied with their jobs. Given

were also equally likely to indicate that they were considering leaving the government over the next year (about one-quarter of each group said that it was at least somewhat likely that they would leave the government).

### Coming Soon! The Changing Federal Workplace: Employee Perspectives

This new MSPB report will be available in print and on the MSPB web site in early spring 1998.

situation creates a special challenge, because organizations are unlikely to be able to replace individuals who have difficulty adjusting to the new environment.

The executives also identified an interesting result of government efforts to trim HR staffs. Past organizational structures allowed many top managers to have their own on-site HR offices, which gave them considerable control

---

*HR officials must learn the business of the organizations they support.*

---

over day-to-day HR operations. Now, many local HR offices are being replaced by consolidated offices under control of a manager who often is geographically and organizationally far-removed from the local scene. This structure leaves some managers in field settings with less HR autonomy, and less control over HRM matters in their own organizations than they had in the past. This is ironic, since it was an expectation of NPR that line managers' autonomy would increase with the reduction in the number of HR offices.

While collecting information for current studies, the Board has encountered a related irony: "let managers manage" has taken on two contrary meanings with respect to HRM authority. One view is that this means to give managers HRM authority, train them to use it, provide them competent advice and assistance, and let them exercise that authority. Hold them—not an HR official—accountable for the results, but otherwise let them manage.

The contrary view is that "let managers manage" means they should be relieved of the burden of day-to-day HRM activity and freed to focus on program delivery. This approach has HR professionals assuming the HR burden and exercising authority for the manag-

ers. This scenario, however, would seem to return us to the HRM approach that the National Performance Review found wanting.

Whichever approach to letting managers manage ultimately prevails (and some kind of hybrid is not inconceivable), the most successful HR professionals still will be those who become thoroughly familiar with the business and goals of their managers, and aggressively step in with support towards achieving those goals

---

## MSPB Adjudicators Close Out Busy Year

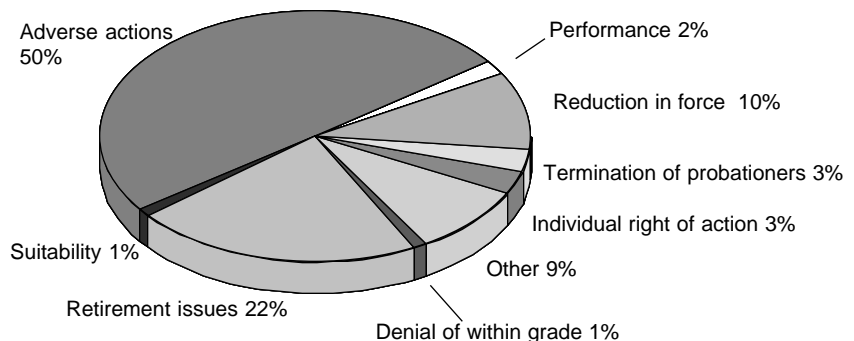
According to the MSPB's just-released annual report for 1997, the Board and its regional and field offices closed a total of 10,154 cases during fiscal year 1997. The three-member Board

More than one in five had to do with CSRS and FERS retirement issues, including disability retirement and overpayment, and 10 percent were reduction-in-force appeals. Only 2 percent were appeals of performance-based actions.

In a small percentage of cases that the MSPB adjudicates, the Board's final decisions are reviewed at higher levels. According to the annual report, of the 444 final Board decisions reviewed in fiscal year 1997 by the U.S. Court of Appeals for the Federal Circuit, 96 percent remained unchanged by the court's decisions.

The U.S. Merit Systems Protection Board Annual Report for Fiscal Year 1997 and *Cases Decided by the U.S. Merit Systems Protection Board, Fiscal Year 1997*, a companion report that includes more detailed statistical information about MSPB cases, are both available at the MSPB website: <http://www.mspb.gov>

**Types of Initial Appeals Decided by MSPB in FY 1997**



Note: percentages do not total 100% because of rounding  
Source: U.S. Merit Systems Protection Board Annual Report, Fiscal Year 1997

decided over 1,800 cases, while the Board's administrative judges decided more than 8,300 appeals, stay requests, and addendum cases.

The majority of the cases that came to the MSPB in 1997 were requests by appellants that the Board review some action taken by their agencies. As the figure above shows, half of these requests involved appeals of adverse actions.

---

## GPRA Conundrum: Relating HRM Decisions to Strategic Planning

Thanks to the requirements of the Government Performance and Results Act (GPRA), federal managers and supervisors at nearly  
*(continued on page 5)*



all organizational levels should now be relating what they do on a daily basis to what their agencies' missions and long-term strategies are, rather than focusing only on how their decisions and actions affect their own individual units in the short term.

For supervisors, this presents a special challenge with regard to one of their critical responsibilities—human resources management. Figuring out and articulating how individual HRM decisions and actions fit with agencies' broader goals and strategies is not so easy for supervisors, nor is changing the way they've traditionally approached HRM. Data from MSPB surveys and studies over the last 17 years suggest that supervisors don't typically focus on the long-term consequences of the human resources management actions they take. When doing HRM work, they tend to emphasize getting the task accomplished quickly, sometimes to the detriment of the long-term performance of the work unit.

For example, supervisors often fill jobs as quickly as possible because they want to keep up with the workload and don't want to risk having vacant staff spaces eliminated. Thus, easily accessible candidates—current employees or local transfers or referrals—may be hired, often with a minimum of recruiting outreach and little or no competition, so that the process is expedited. If supervisors were to take a longer-term view, they might consider how the duties of the job will contribute to the agency's mission in the future, and whether the way the work is done is likely to change. Placing the recruitment in this more strategic context might result in a different recruitment and selection process, probably directed at a wider candidate population, and likely to be more time-consuming than immediately filling the vacancy at hand. But such a process can result in a better placement over the long term.

Similarly, decisions on which employees should be approved for training, and what kinds of training should be acquired, often are based on the very immediate needs of the work unit or specific interests of the employee. How the organization is expected to be operating in the next five or ten years and what kinds of employee skills will be needed to support those future operations often are not considered when supervisors are signing off on training nominations. Yet these are just the kinds of issues supervisors

---

*Long-term productivity  
is sacrificed  
for short-term tranquility.*

---

should be thinking about if they are to make training decisions that are strategically sound.

Performance management is another area in which day-to-day personnel decisions can affect long-term outcomes. For example, supervisors faced with poor performers may decide to ignore the situation and let coworkers pick up the slack for the problem employees. Or they may decide to transfer problem employees to

other units. For the short-term, these decisions can keep the situation contained and minimize unpleasantness and disruption, but they don't really solve the problem: the poor performers frequently don't improve their performance; the coworkers come to resent the extra duties; and other units in which problem employees are placed have to face the same issues all over again. Thus, long-term productivity is sacrificed for short-term tranquility—hardly a strategically sensitive decision. It is by confronting problem employees, and taking action either to improve their performance or remove them from the work unit, that supervisors demonstrate HRM decisions that reflect the long-term interests of the entire organization.

There are numerous reasons for supervisors' inclination to emphasize short-term, rather than long-term outcomes, including pressures from higher level managers to produce results quickly. However, to participate in strategic planning for their immediate work units and the agency as a whole, as well as to understand how their units contribute to the mission and overall performance of their agencies, many supervisors will need to expand their focus with regard to human resource management tasks.

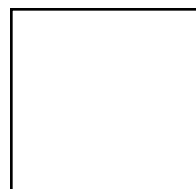
### Hatch Act Facts

Since the 1993 Hatch Act revisions that gave federal workers more freedom to participate in politics,

- ✓ 6.5 percent of federal employees overall say they have been more active in partisan political activities.
- ✓ 12.5 percent of federal supervisors intend to exercise (or have exercised) the additional freedom to participate in politics
- ✓ 1 percent of federal employees believe they have experienced pressure to engage in partisan political activity.
- ✓ 1.6 percent of federal employees have been pressured to retaliate against or take an action in favor of an employee or applicant for political reasons.

Sources: 1996 MSPB Merit Principles Survey, 1997 MSPB Survey of Federal Supervisors

U. S. Merit Systems Protection Board  
1120 Vermont Avenue, NW  
Washington, DC 20419



## Selected Publications from the Office of Policy and Evaluation\*

- ☐ Adherence to the Merit Principles in the Workplace: Federal Employees' Views
- ☐ Achieving a Representative Workforce: Addressing the Barriers to Hispanic Participation
- ☐ Fair and Equitable Treatment: A Progress Report on Minority Employment in the Federal Government
- ☐ The Rule of Three in Federal Hiring: Boon or Bane?
- ☐ Sexual Harassment in the Federal Workplace: Trends, Progress, Continuing Challenges
- ☐ Removing Poor Performers in the Federal Service: An Issue Paper
- ☐ Leadership for Change: Human Resource Development in the Federal Government
- ☐ Temporary Federal Employment: In Search of Flexibility and Fairness
- ☐ Working for American: An Update
- ☐ Whistleblowing in the Federal Government: An Update
- ☐ A Question of Equity: Women and the Glass Ceiling in the Federal Government

## Selected Current Projects

- ☐ Survey of federal employees' attitudes and opinions on issues affecting the merit system
- ☐ Dealing with employee performance problems
- ☐ OPM oversight of federal agencies' HRM programs
- ☐ Federal supervisors' performance of HRM duties

*For a copy of any Office of Policy and Evaluation publication, contact:*

Office of Policy and Evaluation    **E-mail:** [pe.contact@mspb.gov](mailto:pe.contact@mspb.gov)  
1120 Vermont Avenue, NW        Voicemail: (202) 653-8900  
Washington, DC 20419        V/TDD: (202) 653-8896  
Fax: (202) 653-7211

\* Most of these reports are available for downloading from the MSPB home page: <http://www.mspb.gov>

"Issues of Merit" provides findings and recommendations drawn from MSPB research on topics and issues relevant to the effective operation of the federal merit systems and the significant actions of the Office of Personnel Management.